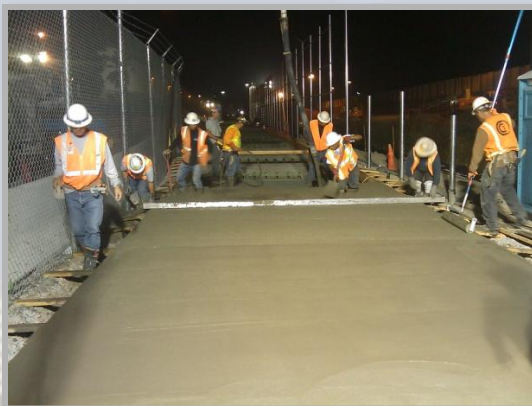




City of San Diego

# 21<sup>st</sup> Century Capital Improvements Program: Streamlining and Transparency



**Budget & Finance Committee**  
January 25, 2012





# Understanding the Capital Improvements Program



The CIP Program is the long-range plan for all individual capital improvement projects and funding sources.

CIP Projects are unique construction projects that provide tangible long-term improvements or additions of a fixed or permanent nature such as land, buildings, and infrastructure.





# Understanding the Capital Improvements Program

## Project Types

Storm Water and  
Water Quality



Airports



Landfill



Wastewater  
System



Transportation



Park and  
Recreation



Water System



Buildings and  
Structures





# Understanding the Capital Improvements Program Contract Delivery Methods/Programs



**Design-Bid-Build**



**Design-Build**



**General Requirements Contracting (GRC)**



**Emergency Contracting**



**Construction Manager at Risk (CMAR)**

**Sole Source**



**Small Local Business Enterprise**



## **Understanding the Capital Improvements Program Funding Sources**

### **CITY & REGIONAL FUNDS:**

- TransNet
- Facilities Benefit Assessment
- Developer Impact Fee (DIF)

### **CITY & REGIONAL FUNDS:**

- Water Bonds
- Sewer Bonds
- Land Sales
- Deferred Capital Bonds

### **STATE FUNDS:**

- Grants
- State Revolving Loans

### **FEDERAL FUNDS:**

- CDBG
- ARRA
- Grants

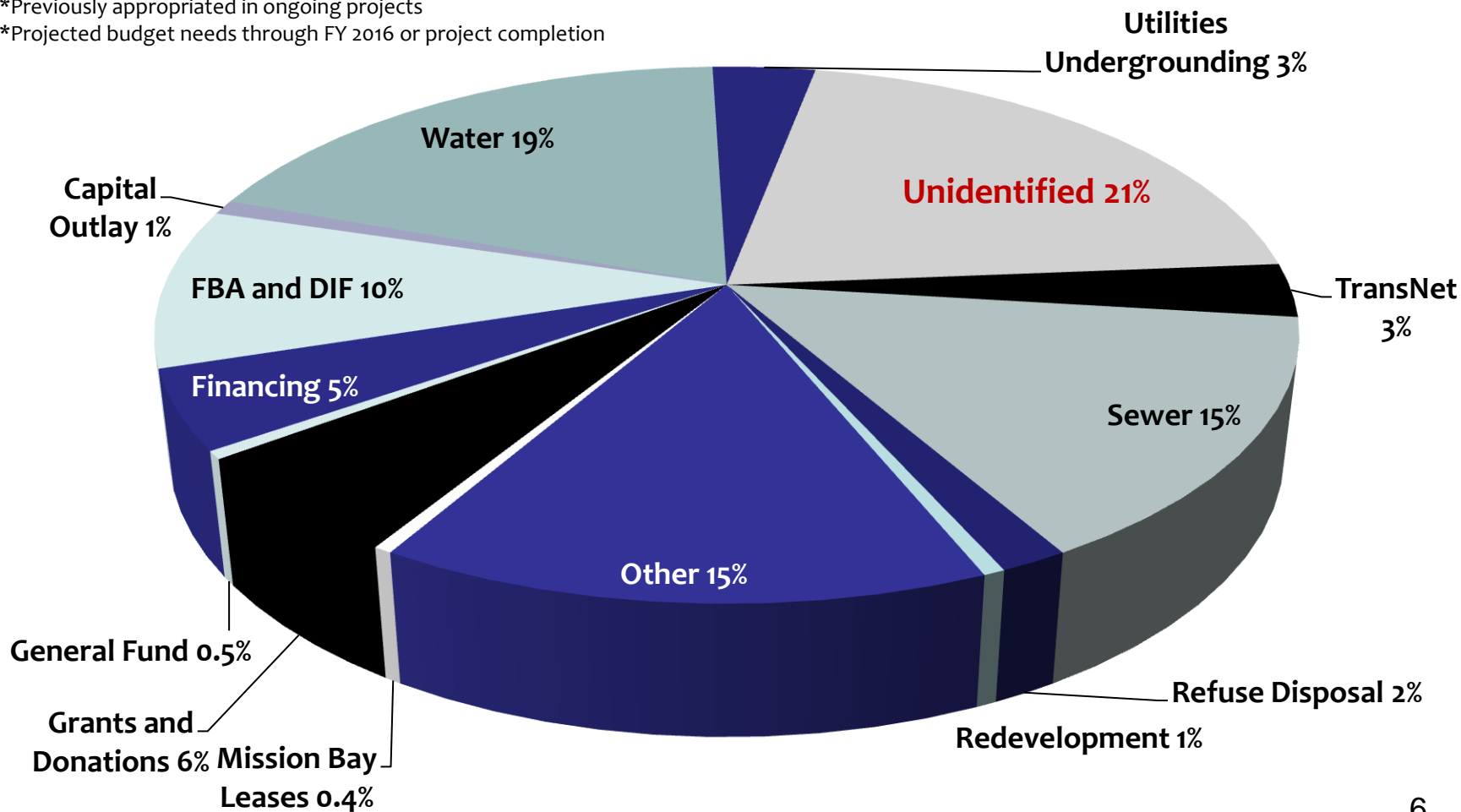


## Understanding the Capital Improvements Program

### Multi-Year CIP by Funding Source \$7.3 Billion\*

\*Previously appropriated in ongoing projects

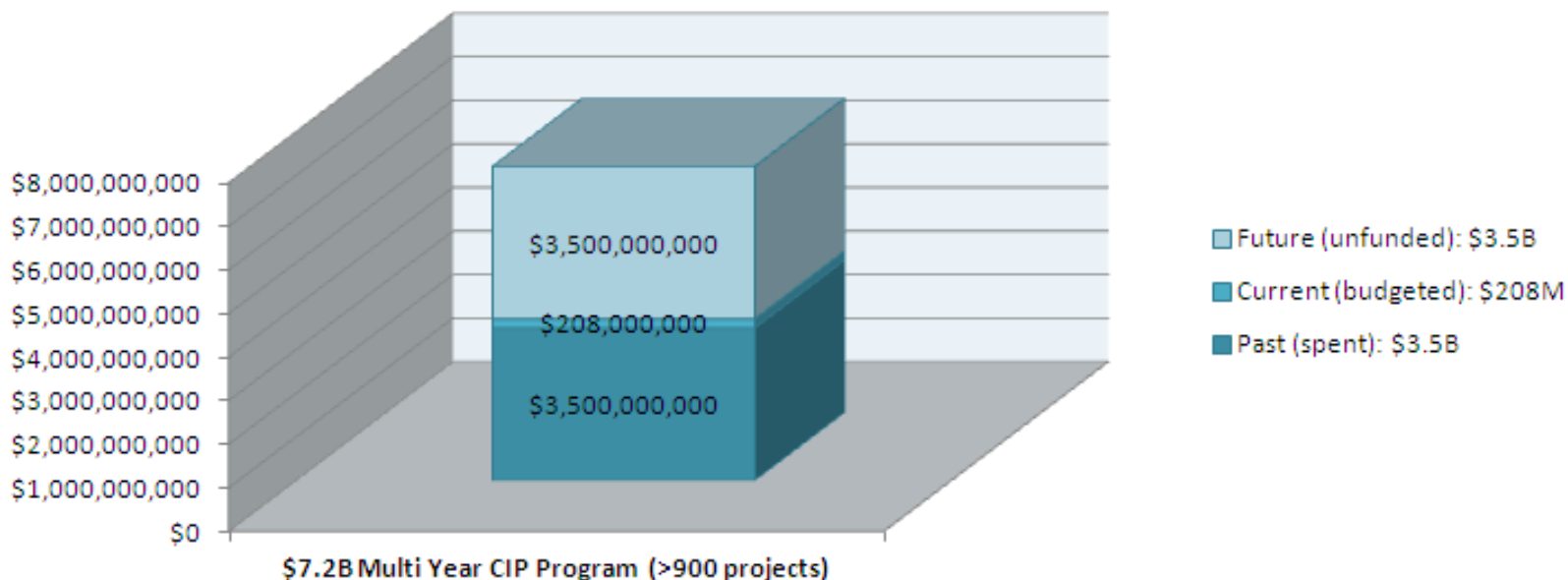
\*Projected budget needs through FY 2016 or project completion







## Understanding the Capital Improvements Program



- Over 900 Projects
- \$3.5B prior years
- \$208M FY 12
- \$3.5B future years



*Let's  
Recap*

## November 2, 2011 Committee Meeting

- Public Works presented six high-level CIP streamlining recommendations.
- Committee favored these recommendations.
- Committee requested staff to return with the necessary changes, details, and progress updates.







*Let's  
Recap*

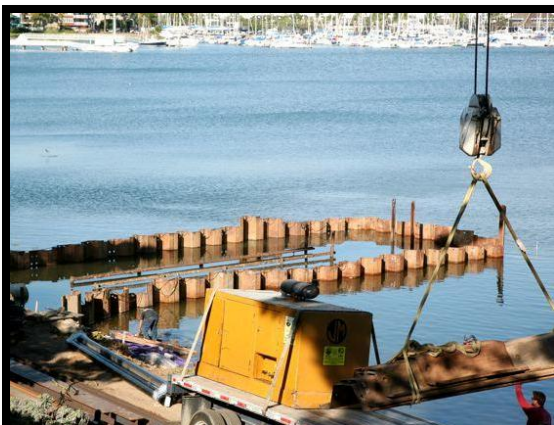
## Overview of Original Recommendations

1. Increase Mayor's Authority to Award Public Works Contracts
2. Adjust current approval thresholds for CCOs, JOC Tasks, & Agreements
3. Allow for Multiple Award Construction Contracts
4. Streamline Site Development Permit process for Public Works Contracts
5. Clarify and Reconcile Council Policies 600-24 and 600-33
6. Authorize automatic transfers of project savings at project completion to unfunded/underfunded and prioritized projects



## Progress of Recommendation #1:

### Increase Mayor's Authority to Award Public Works Contracts



- **Municipal Code §22.3102 increases the Mayor's authority from \$1M to \$30M:**
  - Covers the majority of the City's projects
  - Takes into account that we are currently going through historical low bid process.
  - Offers a longer shelf life
- **During the CIP budget process, a list of projects to be awarded and the contract method in the next fiscal year will be provided**
- **Please see Exhibit C of report**



## Progress of Recommendation #2: Adjust Current Approval Thresholds

Item	Type of Contract	Current Threshold	Recommended Threshold	Action
A	CIP related consultants agreements	\$250K	\$1M	Amend Muni Code: See Exhibit B, C, and D
B	Change order limit	\$200K	\$500K; but, not to exceed the total amount authorized for the project by ordinance or resolution.	Amend Muni Code: See Exhibit B, C, and D
C	Job Order Contracting (JOC) tasks	\$500K	\$1M	Amend Muni Code: See Exhibit B, C, and D
D	Land acquisition	\$0	N/A	No Muni Code amendment necessary; cease current practice





## Progress of Recommendation #3: Allow For Design-Build Multiple Award Construction Contracts (MACC)



### **Add §22.3310 authorizing the City to award MACC:**

- ✓ Amend existing Design-Build Muni Code as edited by the CAO
- ✓ Provide ability to bring MACCs for City Council approval
- ✓ Subject to limitations:
  - ✓ Up to 3 years of competition for task orders
  - ✓ Cumulative task orders maximum guarantee: \$50K
  - ✓ Max task order limit: \$10M
  - ✓ Cumulative task orders issued through each solicitation: \$100M
- ✓ Please see Exhibit E of the report



## Progress of Recommendation #4: Streamline Site Development Permit process for Public Works Contracts



- Several code modifications are being drafted to **eliminate redundancy**
- **Significant** time and money savings
- Continue to require compliance with the Environmentally Sensitive Lands Regulations and Historic Resources Regulations
- Continued compliance with CEQA & NEPA





## Progress of Recommendation #5: Clarify and Reconcile Council Policies 600-24 & 600-33



- We are recommending changes to clearly delineate when park general development plans will be reviewed by recognized park advisory groups and when they will be reviewed by recognized community planning groups.
- We are recommending that the review authority be given to the recognized park advisory group. In cases where there isn't a recognized park advisory group, the review authority will be given to the recognized community planning group.
- Public Outreach: We are presenting the changes to the Community Planners Committee and the Park and Recreation Board.

Please see Exhibits F and G of the report.





## **Progress of Recommendation #6: Authorize Transfer of Project Savings to Other Projects**

- Beginning with FY13 CIP budget process, a list of unfunded or underfunded proposed prioritized projects will be provided in the CIP budget for Council's review and consideration.
- The authority to allow the transfers of funds to be included in the annual Appropriation Ordinance.





## Additional Recommendations:

- **Bid Protest Process Clarification**

- ✓ City Council has been identified as being responsible for prescribing bid protest regulations
- ✓ Reconcile an existing conflict between the City's bid protest procedures and contractor standards ordinance
- ✓ Streamline the existing Municipal Code for clearer directions and fewer steps

- **Regional Procurement Cooperation Program**

- ✓ Purpose is to address "peak demand"
- ✓ Regional Construction Procurement Committee (RCPC)
- ✓ Agreements with other agencies (such as SANDAG, County, County Water Authority, etc.)
- ✓ Develop similar processes, agency-to-agency agreement, leveraging resources.
- ✓ Actual agreement will be brought to City Council for review and approval
- ✓ Subject to the City's Charter and strict EOCP requirements



# City of San Diego



=====

**“CIP streamlining will expedite the process of harnessing scarce resources on job-generating projects that revitalize our neighborhoods. These reforms will enhance transparency that will bring our city government closer to the people and put more information at the fingertips of Council and the public.”**  
– Mayor’s Office







## CIP Transparency: *More Robust CIP Budget Process*

- ④ Staff will provide a high-level report and presentation on the status of all CIP projects covering milestones and expenditures.
- ④ Staff will highlight the accomplishments for the current fiscal year.
- ④ Staff will present the next fiscal year's proposed CIP Budget for Council consideration and approval highlighting:
  - ④ New projects added to the budget
  - ④ Projects targeted for award in that fiscal year including construction delivery method
  - ④ A list of prioritized unfunded or underfunded proposed projects to receive funds from future project savings





## **CIP Transparency: *Council Notification of CIP Project Awards***

- **Automatic notification of Council offices**
- **Internal SharePoint site**
  - Listing of all CIP projects and data
  - Advertise and award of contracts
  - EOC goals and results
  - Change orders
  - Consultant Contracts
- **Target Completion: CY 2012**





## CIP Transparency: *State of the CIP*

- **Semi-annual CIP Program updates to the City Council and/or Committee**
  - Project and funding status organized by asset type
  - Program goals
  - EOC results
  - Change orders
  - Consultant Contracts







## **CIP Transparency: Online CIP Information**

- **Public CIP Website**
- **Organized project data i.e., scope, schedule, location, financing, and EOCP subcontracting participation**
- **Target Completion: CY 2012**
- **Benchmarking:**
  - 10 Largest Cities in California
  - 10 Largest Cities in United States
  - 5 Largest Cities in the World





## How other Cities share this information...

The screenshot shows a web browser window displaying the 'Capital Project Management System' for the City of San Jose. The page title is 'Public Improvement Projects - Project Details' and it shows '2 of 126' projects. The project details are as follows:

<b>Project Name:</b>	(A) Gundersen & Laurelwood Storm Drain Improvement	
<b>Council District:</b>	06	
<b>Location:</b>	Gundersen Drive from Laurelwood Drive to Mulberry Lane	
<b>Description:</b>	Install approximately 400 linear feet of new 20-inch storm pipe, manholes, and associated appurtenances to facilitate drainage and remove bubble-up storm drain inlet.	
<b>Phase:</b>	Phase III - Design	
<b>Current Status:</b>	Bid opened on April 22, 2010 and the apparent lowest bidder is Fermin Sierra Construction. We are currently in the bid and award phase. A project flyer is scheduled to be mailed a week after the award so we can include contractor information and an updated construction cost and completion schedule. This flyer will be in addition to the 1-week and 48-hr contractor notices to residents that will be directly impacted.	

<b>Division</b>	<b>Project Manager</b>	<b>Last Reviewed On</b>
Transportation & Hydraulic Services	<a href="#">Andaya, Allan</a>	04/28/2010
<b>Estimated Project Schedule</b>		
<b>Award Date</b>	<b>Construction Start Date</b>	<b>Beneficial Use Date</b>
07/01/2010	09/01/2010	11/15/2010

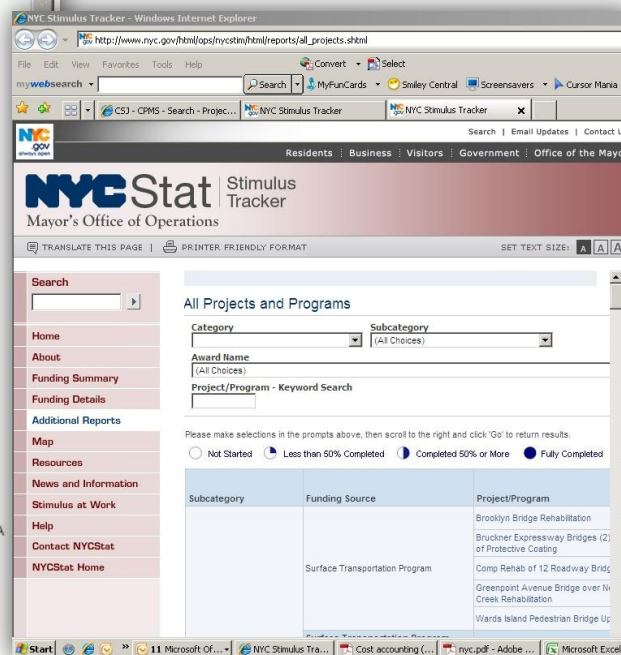
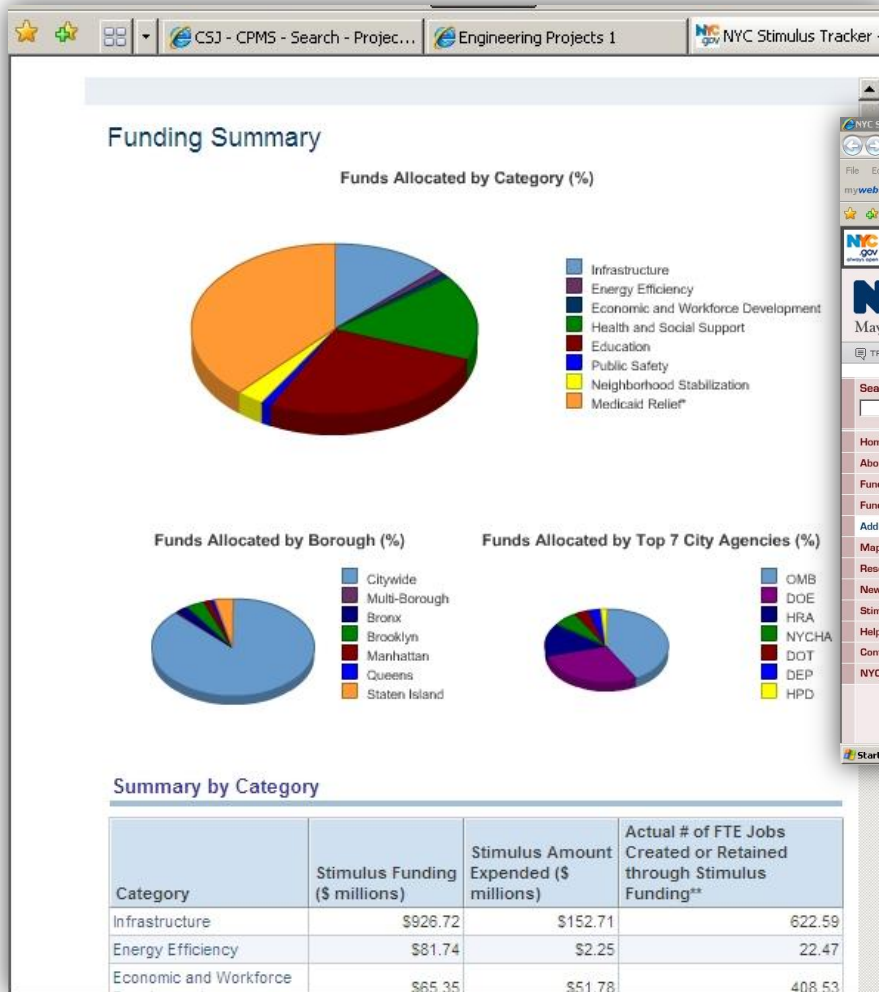
**Search Criteria:**

The City of San Jose is committed to open and honest government and strives to consistently meet the community's expectations by providing excellent service, in a positive and timely manner, and in the full view of the public.

[Please View the City of San Jose's Code of Ethics, Council Policy 0-15](#)



## How other Cities share this information...



# New York City





## How other Cities share this information...

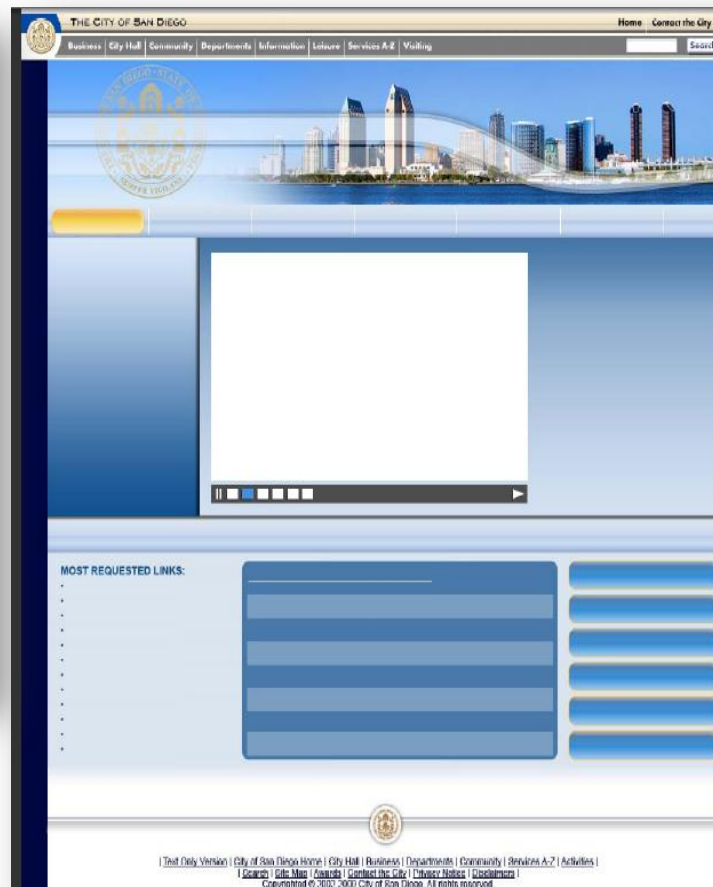
The screenshot shows the Tokyo Metropolitan Government website. The header includes the Tokyo logo and navigation links: Governor, Topics, Profile, Office, Residents, Links, >>Contact Us, >>Site Map. Below the header, there is a 'Home >' link. The main content area is divided into several sections, each with a title bar and a list of links:

- Urban Infrastructure**
  - [Transportation](#) (City Profile and Government)
  - [Waterworks](#) (City Profile and Government)
  - [Sewerage](#) (City Profile and Government)
  - [Public transport \(Trains/Buses/Taxi/Airplanes/Ships\)](#) (Living Information)
- Measure for Military Base**
  - [Measures for U.S. Military Base in Tokyo](#)
- Water Service**
  - [Tokyo Water Service](#)
  - [Welcome to Bureau of Waterworks, TMG For Water Professionals](#)
  - [Bureau of Sewerage Tokyo Metropolitan Government](#)
  - [Sewerage Everything Guide\(PDF: 2.83MB\)](#)
- Transportation**

City of Tokyo-Yokohama, Japan



## CIP Transparency: City Webpage Construction

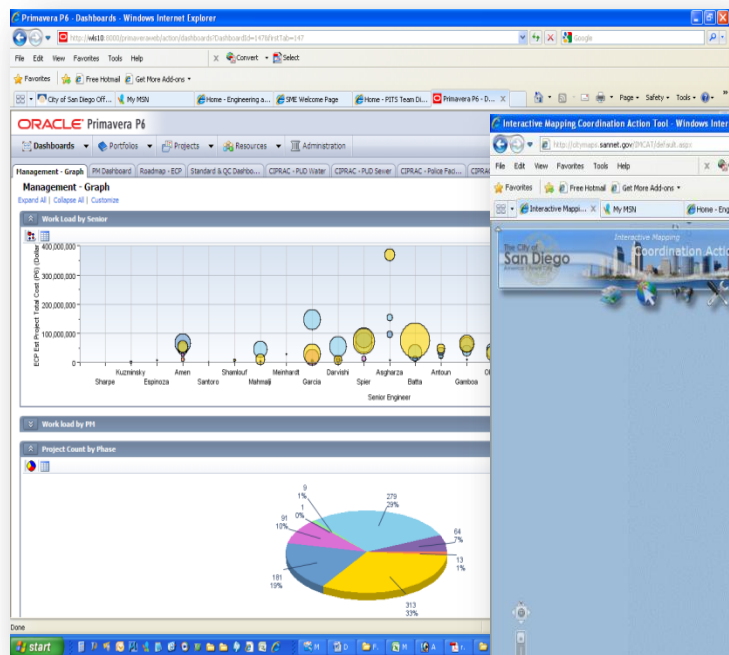




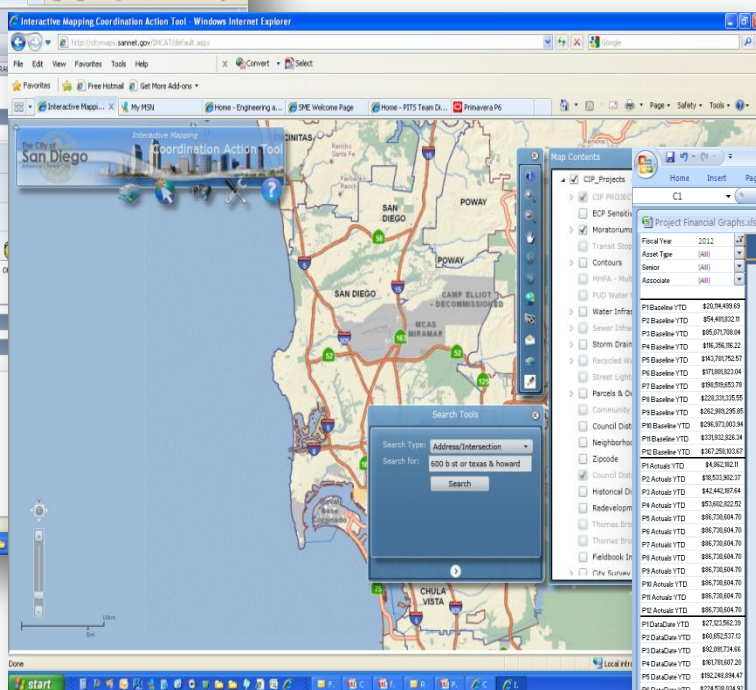
City of San Diego

# CIP Transparency: City Webpage Construction

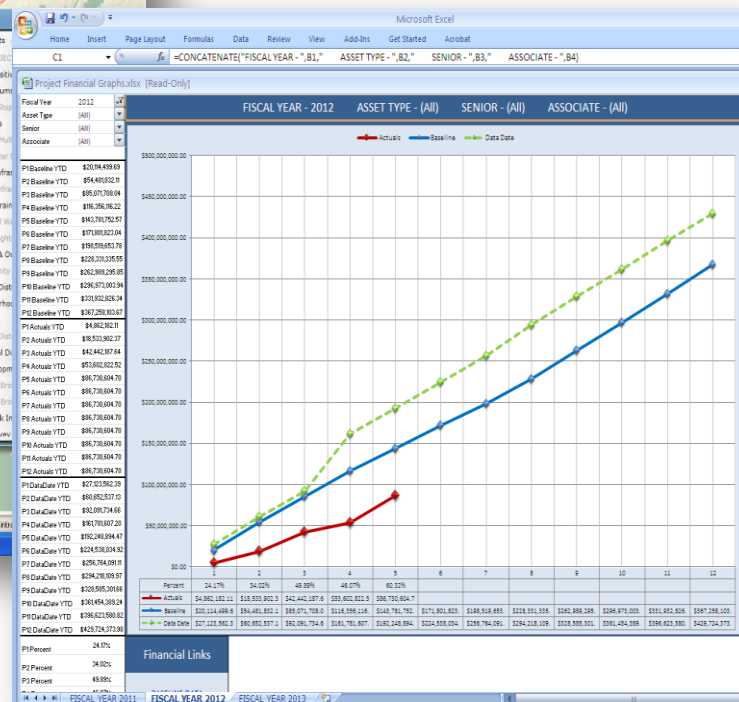
## Sources of Data



Project Portfolio  
Management  
Integrator (PPMI)



Interactive Mapping  
Coordination & Action  
Tool (IMCAT)



SDShare/Sharepoint





## CIP Transparency: City Webpage Construction By Council District

Current View - Districts All

**Council District Map**

Select a district.

1 2 3 4 5 6 7 8 All Distr

Current View - Districts 6

**Council District Map**

Select a district.

1 2 3 4 5 6 7 8 All Districts

**Project List**

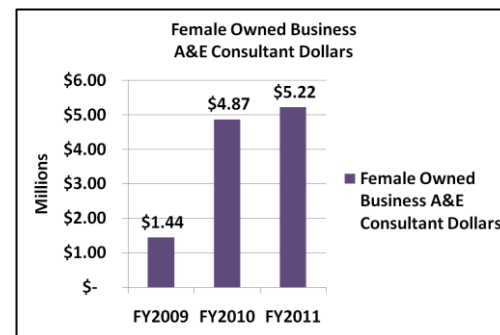
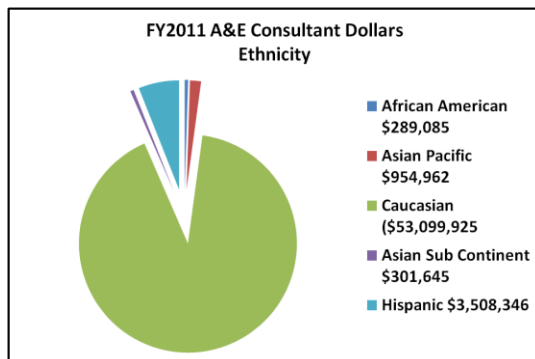
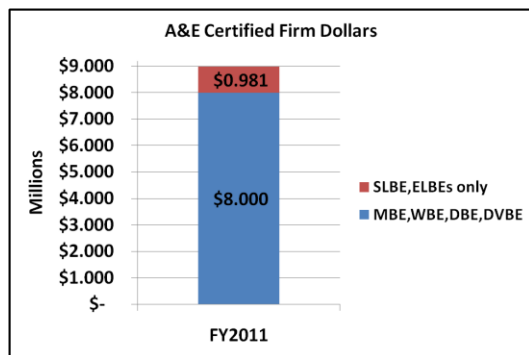
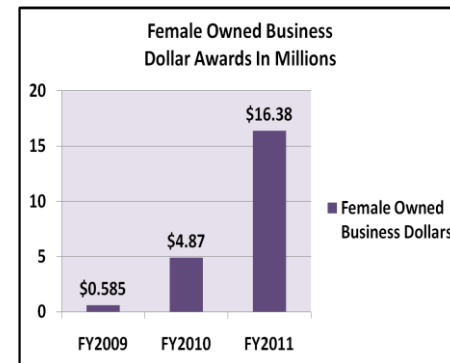
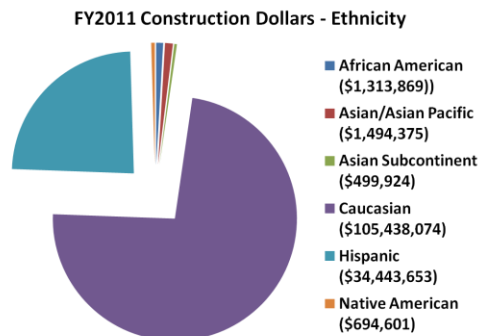
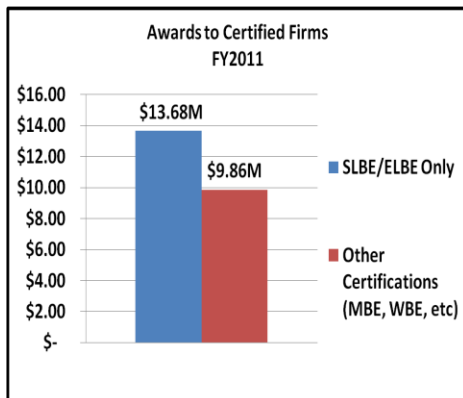
Filter your results using column headers.

ID	TITLE	AssetType
+ : 1 Planning count = 8		
+ : 2 Design count = 40		
+ : 3 Bid and Award count = 11		
+ : 4 Land Acquisition count = 2		
+ : 6 Construction count = 28		
+ : 7 Post-Construction count = 50		

+ : 1 Planning count = 8		
+ : 2 Design count = 40		
+ : 3 Bid and Award count = 11		
B00986	Genesee and Marlesta ADA Sidewalk	Transportation detail location
B10157	Genesee Ave from Derrick to Mt Herbert	Transportation detail location
B10205	Genesee/Marlesta, SE Corner Sidewalk	Transportation detail location
S00680	MYF Rehab of Runway 10L/28R	Airport Assets detail location
S00958	SAN DIEGO RIVER MULTI-USE BICYCLE & PED	Transportation detail location
S00973	MONTGOMERY ACADEMY JOINT USE IMPRVMT	Parks detail location
S01068	LINDA VISTA COMM. PARK PICNIC AREA	Parks detail location
S10048	Sunroad Neighborhood Park-Development	Parks detail location
S11044	Berger Ave Sidewalk & Curb Ramps	Transportation detail location
S11105	WDSU - Enclosed Pumps - Ph II	Water detail location
S11107	WDSU - Water Tanks & Standpipes - Ph II	Water detail location
+ : 4 Land Acquisition count = 2		
+ : 6 Construction count = 28		
+ : 7 Post-Construction count = 50		



## CIP Transparency: City Webpage Construction EOC Results (Potential)





## Requested Committee Actions

**Please send recommendations to City Council for approval:**

- ✓ Increase Mayor's Authority to Award Public Works Contracts
- ✓ Adjust Current Approval Thresholds for CCOs, JOC Tasks, and Public Works Projects Consultant Agreements
- ✓ Allow for Multiple Award Construction Contracts
- ✓ Clarify and Reconcile Council Policies 600-24 and 600-33
- ✓ Clarify Bid Protest Process







## Continued Committee Support

**Seeking full Committee support for these efforts:**

- Modify the Land Development Code as it relates to Site Development Permits for CIP projects.
- Regional Procurement Cooperation Program





## **FY 2013 CIP Budget**

- **Authorize Mayoral approval to transfer project savings at project completion to other projects.**
- **Provide a list of new projects to be added to the budget.**
- **Provide a list of projects to be awarded in the next fiscal year including construction contract delivery method.**



## Q & A

